



राजपत्र, हिमाचल प्रदेश (असाधारण)

हिमाचल प्रदेश राज्य शासन द्वारा प्रकाशित

शिमला, वीरवार, 31 मार्च, 2005/10 चैत्र, 1927

हिमाचल प्रदेश सरकार

EXCISE AND TAXATION DEPARTMENT

NOTIFICATION

Shimla-171002, the 30th March, 2005

No. EXN-F(1)2/2004 (iii).—Whereas the Governor of Himachal Pradesh is satisfied that it is necessary and expedient so to do in public interest;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 42-A of the Himachal Pradesh General Sales Tax Act, 1968

(Act No. 24 of 1968), the Governor of Himachal Pradesh in supersession of notification No. EXN-F(9)2/99(iv) dated 23-7-1999 published in Rajpatra (Extra-ordinary) dated 18-8-1999 is pleased to notify the following Scheme, regulating the deferred payment of tax by entrepreneurs setting up new industrial units in the State and manufacturing goods for sale, namely :—

SCHEME :

1. *Short title and application*,— (i) This scheme may be called the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005.

(ii) Unless otherwise provided, it shall apply to the new industrial units established in the State of Himachal Pradesh and manufacturing goods for sale.

2. *Definitions*.— (1) In this scheme, unless the context otherwise requires, —

- (i) 'Act' means the Himachal Pradesh General Sales Tax Act, 1968;
- (ii) 'Category of area' means the area as specified in Annexure -I ;
- (iii) 'Deferment' Certificate means a certificate granted in Form S.T. (DP)-II by the prescribed authority in respect of an eligible unit which enables such unit to avail of the facility of deferred payment of sales tax leviable under section 6 of the Act, excluding purchase tax on goods specified in Schedule 'C' to the Act ;
- (iv) 'eligible unit' means a unit to which a certificate in Form S.T. (DP) II has been granted by the prescribed authority ;
- (v) 'existing industrial unit' means an industrial unit which commenced production before 31-12-2004 ;

- (vi) 'Form' means form appended to this Scheme ;
- (vii) 'Government' means the Government of Himachal Pradesh in the Department of Excise and Taxation ;
- (viii) 'negative list' means the list of industrial units specified in Annexure-I appended to this Scheme, which are not eligible for facility of making deferred payment of tax under this Act ;
- (ix) 'new industrial unit' means an industrial unit located in Himachal Pradesh which commences commercial production on or after the 31-12-2004 but will not include any industrial unit which is formed as a result of re-establishment, mere change of ownership, change in the constitution, re-structuring or revival of an existing industrial unit ;
- (x) 'notional sales tax liability' shall mean the amount of tax payable under the Act, computed at the rates notified under section 6 of the Act, on the estimated sales during a year of finished goods calculated on the basis of installed capacity of the eligible unit ;
- (xi) 'para' means the para of this Scheme ;
- (xii) 'prescribed authority means' an officer exercising of powers of Assessing Authority under the Act ;
- (xiii) 'small or medium' or large scale industry means a new industrial unit:—
 - (i) falling in the category of small scale industry or medium scale industry or large scale industry as defined by the Government of India ;
 - (ii) registered as such unit with the Department of Industries of Himachal Pradesh ; and

- (iii) registered as dealer under the Himachal Pradesh General Sales Tax Act, 1968 or Central Sales Tax Act, 1956 ;
- (xiv) 'substantial expansion' in respect of industrial unit existing before 7-1-2003, means substantial expansion undertaken by way of increase in installed capacity of the existing unit by not less than 25% of the capacity, which should be the result of installation of additional plant and machinery and the industrial unit comes into commercial production from such expanded portion of the capacity not later than 31-3-2007 subject to the fulfilment of the condition that such expansion shall result in additional employment of atleast 25% (excluding employment contractual/ on sub-contractual basis) of the existing manpower employed on regular basis and further that it will continue to employ at all levels, atleast 70% of its total manpower whether on regular basis or daily basis or contractual / sub- contractual basis or by any other mode from amongst the bonafide Himachal is.
- (xv) 'tax free industrial zone' means all Tribal areas notified by the competent authority and includes all Tribal Development Blocks and Development Blocks mentioned under this category in the Rules Regarding Grant of Incentives, Concessions and Facilities to Industrial units in H.P. 2004 ; or
- (xvi) 'unit' means a new industrial unit which is registered as a dealer under the Act.

(2) All other words and expressions used in this Scheme but not defined shall have the same meanings as have been assigned to them under the Himachal Pradesh General Sales Tax Act, 1968, or the rules made thereunder.

3. Conditions of eligibility.— The facility of making deferred payment of sales tax under the Act shall be admissible to a new industrial unit, only if,—

- (i) it has not been included in the tax free industrial zone ;
- (ii) it has not been included in the negative list ;
- (iii) it has been registered as a dealer under the Himachal Pradesh General Sales Tax Act, 1968 for manufacture of goods for sale ;
- (iv) it (registered dealer) complies with the provisions of,—
 - (a) the Himachal Pradesh General Sales Tax Act, 1968 ;
 - (b) the Central Sales Tax Act, 1956 ; and
 - (c) the rules, the notifications, orders issued under these Acts and the provisions of this Scheme ;
- (v) it is located in 'A' or 'B' category of area ;
- (vi) it, being located in 'A' or 'B' category of areas, employs atleast 70 per cent of its total manpower employment from amongst the bonafide Himachalis ;
- (vii) in case of 'small scale industry' it is registered under the registration scheme framed by the Government of India, and in case of a 'medium' or 'large' scale industry it is registered/acknowledged by the Director of Industries, Himachal Pradesh ;
- (viii) it has obtained a certificate in Form 'I' from the General Manager, Director Industries Centre of the Department of Industries of the Government of Himachal Pradesh where the

industrial unit is registered or in other case from the Director of Industries, Himachal Pradesh or his nominee duly authorised, in writing, in this behalf, and has furnished the same certificate to the prescribed authority for the grant of deferment certificate in Form S.T.(D.P.) –II ;

- (ix) it has been granted the deferment certificate in Form S.T. (DP)-II by the prescribed authority ; and
- (x) the deferment certificate continues to remain operative and it has not been withdrawn or cancelled by the prescribed authority or is not annulled or quashed in any appellate, revisional or other proceedings.

Explanation.— The employment condition specified in sub-para (vi) shall not be applicable to new industrial units employing only one employee located any where in the “A” and “B” category of area and the units which are self employed ventures where the owner is running the unit without employing any manpower.

4. Periodicity of deferment.— (1) The facility of making deferred payment of sales tax under the Act shall be admissible to eligible units only for a period of sixty months (5 years) in ‘A’ category of area and ninety-six months (8years) in ‘B’ category of area.

(2) The period of deferment specified in sub-para (1) shall be reckoned from the date of commencement of commercial production or the date of notification of this Scheme whichever is later.

5. Quantum of entitlement.— (1) Subject to other provisions of this Scheme, the facility of making deferred payment of sales tax under the Act shall be available to eligible units in respect of the entire amount of

sales tax due and payable as per the returns filed by such dealer under section 12(3) of the Act :

Provided that the existing eligible industrial unit other than those specified in the negative list, which have come into commercial production before 7-1-2003 and which after the approval of the Director of Industries and other officers so authorised by him undertake substantial expansion only after 7-1-2003 shall be entitled to the facility of making deferred payment of sales tax, for a period of sixty months (5 years) in 'A' category of area and ninety-six months (8 years) in 'B' category of area under the Act only up to an extent of 75% of the entire amount of sales tax due and payable as per returns filed by such dealer (industrial unit) under section 12(3) of the Act and the remaining amount shall be paid by such dealer into the Government Treasury in accordance with the provisions of section 12 of the Act.

(2) Notwithstanding anything contained in sub-para (1) no deferment shall be granted by the Assessing Authority to new industrial unit.—

(i) if it is found that the evasion of tax under the Himachal Pradesh General Sales Tax Act, 1968 or the Central Sales Tax Act, 1956 has been committed by the entrepreneur (registered dealer) ;

(ii) in respect of the sale of finished goods (other than the goods manufactured by it) which have been procured or acquired by it for sale in Himachal Pradesh ; and

(iii) in respect of the sale of goods manufactured which have not been included and duly shown in the return filed under section 12(3) of the Himachal Pradesh General Sales Tax Act, 1968.

6. *Schedule of payment of deferred tax.*— (1) The sales tax shall be levied on the goods manufactured by the registered dealer *i.e.* to say eligible

units, referred to in para 4, at the usual rates notified under section 6 of the Act and the concerned registered dealer shall be required to pay into the Government treasury, each quarter, the amount of sales tax due for each quarter or part of the financial year, for which the facility of making deferred payment has been availed of, in the following manner :—

Stage of payment	Amount and the year pertaining to which the payment of deferred sales tax is to be made quarter-wise	Remarks, if any
Year I	Nil (No payment)	
Year II	Nil (No payment)	
Year III	Nil (No payment)	
Year IV	Nil (No payment)	
Year V	Nil (No payment)	
Year VI	Payment of full amount of deferred sales tax for the first year.	
Year VII	Payment of full amount of deferred sales tax for the second year.	
Year VIII	Payment of full amount of deferred sales tax for the third year.	
Year IX	Payment of full amount of deferred sales tax for the fourth year.	
Year X	Payment of full amount of deferred sales tax for the fifth year.	
Year XI	Payment of full amount of deferred sales tax for the sixth year.	
Year XII	Payment of full amount of deferred sales tax for the seventh year.	
Year XIII	Payment of full amount of deferred sales tax for the eighth year.	

Explanation.— 1. In this para, year shall be reckoned from the date specified in the deferment certificate in Form S.T. (DP) II.

Explanation.— 2. Counting from the sixth year the payment of deferred amount of sales tax shall be completed in equal number of years for which the facility of making deferred payment of sales tax is admissible according to the table in Sub-para (1).

Explanation.— 3. (1) The expression “full amount of deferred sales tax” means the amount of sales tax due as per returns filed under Sub-section (3) of section 12 of the Act and shall not include the amount of sales assessed on account of evasion of tax or suppression of sales.

(2) The payment of deferred sales tax shall be apportioned quarter-wise in each financial year in which the payment of the same is due.

(3) When the facility of making deferred payment of sales tax as prescribed in para 4 is exhausted, all sales made by such units thereafter shall be subject to payment of tax under the Act, as usual.

7. Mode of availing benefit of making deferred payment of sales tax and issue of Deferment Certificate.— The benefit of making deferred payment of sales tax shall be subject to the following mode :—

- (1) A unit in respect of which a certificate in Form ‘I’ has been issued shall, within a period of thirty days from the date of its issue, make an application for the grant of benefit of making deferred payment of sales tax in Form S.T. (DP)-I to the prescribed authority. The prescribed authority shall issue certificate in Form S.T. (DP)-II within a period of thirty days of the receipt of such application which should be complete

in all respects. In case the certificate is not issued within thirty days, the prescribed authority shall record the reasons for the delay.

- (2) The application in Form S.T. (DP)-I made under Sub-para (1) shall be accompanied with the certificate in Form 'I' and all other relevant documents specified in the application in Form S.T. (DP)-I.
- (3) On receipt of the application under Sub-para (1), the prescribed authority shall make such enquires as may be considered necessary by it and shall issue the Deferment Certificate in Form S.T. (DP)-II only if—
 - (a) the application is in order ;
 - (b) the applicant has furnished the security as prescribed in para 8 ; and
 - (c) the unit could be issued such certificate in accordance with this scheme.
- (4) No application in Form S.T. (DP)-I shall be entertained by the prescribed authority if it is incomplete or is made after the expiry of a period of thirty days as prescribed in Sub-para (1).
- (5) An application which is not accompanied by relevant documents or which contained incomplete or incorrect particulars, shall be rejected by prescribed authority.
- (6) The certificate in Form S.T. (DP)-II shall be valid from the date of issue of the same and thereafter the unit shall be eligible to make deferred payment of sales tax in accordance with the

certificate in Form S.T. (DP)-II issued by the prescribed authority.

8. Security for availing the benefit of making deferred payment of sales tax.— (1) A Unit which makes an application under Sub-para (1) of para 7 for availing the benefit of making deferred payment of sales tax under the Act shall execute a mortgage deed in Form S.T. (DP)-IV in favour of the Government thereby creating first charge on the assets and property of the unit or any other property, owned in Himachal Pradesh by the applicant, which is free from encumbrance or furnish bank guarantee for the remaining amount of notional sales tax liability and the mortgage deed so executed or the bank guarantee so furnished, as the case may be, shall cover the entire amount of the notional sales tax liability for the current year which is sought to be deferred and shall remain in force till the whole amount of sales tax which has been deferred, is recovered :

Provided that in case the applicant is unable to secure the remaining liability by means of bank guarantee, he shall secure such liability by furnishing security by either cash deposit in the Government treasury under head “0040–Sales Tax” or Post Office Saving Bank’s Pass Book, the account being pledged to the prescribed authority.

(2) In case the mortgage or the bank guarantee and other security as provided in Sub-para (1) is not commensurate with the sales tax liability required to be deferred, a unit which makes an application under Sub-para (1) of para 7, for availing the benefit of deferred liability to pay sales tax under the Act, shall also furnish security, for the liability remaining unsecured, in Form S.T.(DP)-V from two solvent dealers registered with the Department of Excise and Taxation and the security so furnished under Sub-para (1) or this Sub-para, by the applicant shall cover the whole amount of the notional sales tax liability under the Act :

Provided that in case the amount of the security furnished under Sub-para (1) of this para, is in excess of the actual amount of tax deferred

at the end of any year, the excess amount of such security shall be allowed, by order of the prescribed authority, to cover liability for subsequent year(s).

(3) The bank guarantee or other security furnished under Sub-para (1) and (2) shall remain in force for the period for which the deferment is applied for and in case the entire amount of deferred sales tax is not paid within the stipulated period of deferment, the bank guarantee or such security shall be renewed before the date of its expiry, failing which the unsecured deferred sales tax shall become due for payment immediately.

(4) The mortgage deed and the bank guarantee or the security specified in this para shall be entered in a register to be maintained in Form S.T. (DP)-III, by the prescribed authority and it shall be kept in personal custody of the prescribed authority and shall be handed over to his successor personally against proper receipt and a certified copy of the same shall be sent to the Excise and Taxation Commissioner by name who will acknowledge its receipt.

9. *Renewal of certificate of making deferred payment of sales tax.*— (1) The certificate of making deferred payment of sales tax granted to a unit shall be renewed after three years on the application of the unit to the prescribed authority to be submitted by **30th April, in Form S.T.(DP)-I of the fourth year.**

(2) The application under Sub-para (1) shall be accompanied with the original certificate of making deferred payment of sales tax in Form S.T.(DP)-II, additional security in the form of sales tax in Form S.T. (DP)-II, additional security in the form of mortgage or bank guarantee of the security for the uncovered amount as specified in para 8, equal to the declared notional liability to pay sales tax under the Act in respect of the current year and the difference between the actual and the declared notional sales tax liability under the Act in respect of the previous year and a certificate in Form-I from the competent authority of the Department of

Industries to the effect that the applicant has not violated any of the terms and conditions of the industrial policy applicable to it.

(3) The prescribed authority may, after making such enquires as may be considered necessary by it, renew the certificate in Form S.T. (DP)-II and the certificate so renewed shall remain valid until the renewal is refused or until the certificate otherwise expires.

(4) If the prescribed authority finds that the application for the renewal of the certificate in Form S.T. (DP)-II is not in order or the particulars given in the application are not correct and complete or the applicant is not the same unit in respect of which the certificate in Form S.T.(DP) –II has been issued or if he has violated any of the provisions of the Act or the rules made thereunder, it may reject the application after giving the applicant an opportunity of being heard.

Note.— The competent authority of the Department of Industries shall be required to inform the prescribed authority about the withdrawal or cancellation of the certificate in Form-I granted in respect of the unit.

10. Cancellation of certificate in Form S.T. (DP)-II.— (1) The certificate in Form S.T. (DP)-II in respect of the unit shall be liable to be cancelled on any of the following grounds, namely :—

- (i) that the certificate has been obtained by fraud, deceit, misrepresentation, mis-statement or concealment of material facts ;
- (ii) that the unit has dis-continued its business at any time for a period exceeding six months or it has closed its business during the period of deferment ;
- (iii) that the unit has disposed of any of the fixed assets mortgaged with the Government ;
- (iv) that the unit has failed to furnish adequate security as required under this Scheme ;

- (v) that the unit has failed to pay the deferred amount of sales tax on the due date of payment ;
- (vi) that the unit has violated any of the provisions of the Act or the rules made thereunder ; and
- (vii) that the competent authority of the Department of Industries for granting the certificate in Form-I has recommended that the certificate of deferment be cancelled.

(2) The prescribed authority shall, before passing an order of cancellation on the grounds specified in Sub-para (1) give an opportunity of being heard to the unit.

11. Return Assessment etc.—(1) The unit holding a certificate in Form S.T. (DP)-II shall continue to file returns in the manner specified under the Act and the rules made thereunder.

(2) Notwithstanding anything contained in this scheme, the unit holding a certificate in Form S.T. (DP)-II issued under this scheme shall attach an attested copy of the certificate in Form S.T. (DP)-II in lieu of proof of payment of tax alongwith the return until the period of deferment expires under this Scheme.

(3) The assessment of an eligible unit in respect of which certificate in Form S.T. (DP)-II has been granted in accordance with the provisions of the Act, the rules and the Scheme made thereunder shall be completed as early as possible and latest by the 31st day of December in respect of the assessment year (financial year) immediately preceding thereto and the additional demand so determined, if any, shall be paid as per the provisions of the Act and the rules made thereunder.

(4) Notwithstanding the provisions relating to payment of tax due according to return, the unit in respect of which the benefit of making

deferred payment of sales tax under the Act, has been availed of shall make payment of the deferred amount of sales tax every quarter or month, as the case may be, and within the period specified under the Himachal Pradesh General Sales Tax Rules, 1970.

(5) On cancellation of the certificate in Form S.T.(DP) –II or when the period of this certificate has expired, the entire amount of sales tax deferred shall become payable immediately in lump sum and the provisions relating to recovery of sales tax, interest and imposition of penalty under the Act shall be applicable in such cases.

12. *No interest to be paid on the amount of sales tax deferred.*— Subject to the provisions of Sub-para (5) of para 11 of this Scheme, no interest on the amount of sales tax deferred for the period for which deferment is permitted shall be payable and no penalty shall be imposed for non-payment of the amount of sales tax payable according to return, but for grant of facility of making deferred payment of sales tax.

13. *Registers to be maintained by the prescribed authority.*— The prescribed authority shall maintain a ledger account in Form S.T. (DP)-IV in respect of eligible unit regarding certificate in Form S.T. (DP)-II granted to the unit and entries regarding the grant, renewal or cancellation of the certificate in Form S.T. (DP)-II shall be made in the ledger so maintained.

14. *Condonation of delay.*—The Excise and Taxation Commissioner or any other officer authorised by him but not below the rank of Dy. Excise and Taxation Commissioner, may for reasons to be recorded in writing condone delay in the submission of application for the grant of certificate in form S.T. (DP)-II upto a period of not exceeding six months.

15. *Other powers of prescribed authority.*— (1) Notwithstanding anything contained in this Scheme, the prescribed authority may *sou-moto*

or on receipt of a report or complaint, and after affording an opportunity of being heard to the concerned entrepreneur of the unit, if he is satisfied that a breach of any of the provisions contained in the Himachal Pradesh General Sales Tax Act, 1968, the Central Sales Tax Act, 1956, and the rules, notifications or orders issued under these enactments including any of the condition specified in this scheme has been committed, may take legal action under the provisions of the Himachal Pradesh General Sales Tax Act, 1968, the Central Sales Tax Act, 1956 and the rules made including any notification or order issued or passed thereunder as if this scheme was not in existence and there was escapement of tax.

(2) The prescribed authority shall, while taking action under Sub-para (1), be empowered to amend, suspend, restore and cancel the certificate in form S.T. (DP) –II granted by it, subject to any order that may be passed in this behalf under section 30 and 31 of the Act.

16. *Overriding effect.*—Notwithstanding anything to the contrary contained in any notification or any other rule made or issued by the Government of Himachal Pradesh, in this behalf, this Scheme shall have effect and it shall confer no right on any entrepreneur or any unit and the Government also reserves the right to amend or withdraw this Scheme at any time.

ANNEXURE-I

[See para 2 (viii)]

List of units not eligible for sales tax incentives :—

1. Tobacco and tobacco products including cigarettes and pan masala.
2. Thermal Power Plant (coal/oil based).
3. Coal washeries/dry coal processing.
4. Inorganic Chemicals excluding medicinal grade oxygen (2804.11,) medicinal grade hydrogen peroxide (2847.11), compressed air (2851.30).
5. Organic chemicals excluding provitamins/vitamins, Hormones (29.36) Glycosides (29.39), sugars (29.40) (reproduction by synthesis not allowed as also down stream industries).
6. Tanning and dyeing extracts, tannins and their derivatives, dyes, colours paint and varnishes, putty, fillers and other mastics inks.
7. Marble and mineral substances not classified elsewhere.
8. Flour Mill/ Rice Mill (including Roller flour mills).
9. Foundries using coal.
10. Minerals fuels, mineral oils and products of their distillation, Bituminous substances, mineral waxes.
11. Synthetic rubber products.
12. Cement clinker and Asbestos raw including fibre.

13. Explosive (including industrial explosives, detonators & fuses, firework, matches, propellant powders etc.).
14. Mineral or chemical fertilizers.
15. Insecticides, Fungicides, herbicides & Pesticides (basic manufacture and formulation).
16. Fibre glass & articles thereof.
17. Manufacture of pulp wood pulp, Mechanical or chemical(including dissolving pulp).
18. Branded aerated water/ soft drinks (non fruit based).
19. Paper :
Writing or printing paper, Paper or paperboard, Maplitho paper, Newsprint in rolls or sheet, craft paper, sanitary towels, cigarette paper, Grease proof paper, toilet or facial tissue, paper & paper board laminated internally with bitumen, tar or asphalt, carbon or similar copying paper, products consisting of sheets of paper or paperboard, impregnated, coated or covered with plastic, Paper and paperboard, coated impregnated or covered with wax etc.
20. Plastic and articles thereof.
21. Production of firewood and charcoal.
22. Mini steel plants induction/Arc/Submerged furnaces, and/or rolling mills.

Note.— Products listed from Serial No. 1 to 20 are as reflected in Government of India, Ministry of Industry and Commerce O.M. dated 7.01.04 and as defined by Government of India from time to time.

ANNEXURE-II
CATEGORIES OF AREAS [See para 2(ii)]

District	Category "A" Areas (excludes Backward Panchayats)	Category "B" Areas (Entire area under the following Develop- ment Blocks including left out areas of the Development Blocks indicated under Category 'A' Areas and excludes any Backward Panchayat)	Category "C" Area (Tax Free Zones) includes all Tribal Blocks and Develop- ment Blocks mentioned under this category and includes all Backward Panchayats located in Blocks under the 'A' and 'B' Category Area.
1	2	3	4
1. Bilaspur		Bilaspur Sadar Ghumarwin Geharwin	
2. Chamba		Bhattiyat Chabma	Bharmaur Pangi Tissa Salooni Mehla
3. Hamirpur		Hamirpur Bijhari Nadaun Bhoranj Surajpur Bamsan	
4. Kangra		Kangra Rait Nagrota Bagwan Panchrukhi Fatehpur Lamba Goan	

1	2	3	4
		Baijnath Nagrota Surian Dehra Bhawarna Paragpur Indora Nurpur Sulah	
5. Kinnaur			Kalpa Pooh Nichar Babhanagar
6. Kullu		Kullu Naggar	Anni Nirmand Banjar
7. Lahaul & Spiti			Lahaul (Keylong) Kaza (Spiti)
8. Mandi		MandiSadar Sundemagar Rewalsar Gopalpur Darang Chauntra Dharampur	Seraj Karsog Chachiot
9. Shimla		Theog Mashobra Jubbal Narkanda Basantpur	Rohru Chopal Chhohara Rampur

1	2	3	4
10. Sirmaur	<p>(1) All areas included in Kanungo circles of Majra and Poanta Sahib including Industrial Area Poanta Sahib in Poanta Sahib Development Block.</p> <p>(2) All areas included in Kanungo circles of Nahan including Industrial Area Kala Amb in Nahan Development Block.</p>	<p>Rajgarh</p> <p>All left out Areas (<i>i.e.</i> excluding Areas indicated in Category 'A' list) of Dharmur, Nalagarh Paonta sahib and Nahan Development Blocks.</p>	<p>Pacchad</p> <p>Shillai</p> <p>Sangarh</p>
11. Solan	<p>(1) All Areas included in Kanungo circles of Kasauli including Industrial Area Parwanoo in Dharampur Development Block.</p> <p>(2) All areas included in Kanungo circles of Nalagarh and Doon, including Industrial Area/s Baddi, Barotiwala EPIP etc. in Nalagarh Block</p>	<p>Kandaghat</p> <p>Kunihar</p> <p>Solan</p>	

1	2	3	4
12. Una		Amb Gagret Dhundla Una Haroli	

Note.—Category “A” Areas indicated above specifies all areas falling under Kanungo Circles falling within the respective development blocks but excludes any Backward Panchayats which may fall under the above mentioned Kanungo Circles. Category “B” Areas include the entire area falling under the Development Blocks indicated in the list above and include under this category any left out areas of the Development Blocks indicated under Category A’ Areas but exclude any Backward Panchayats. Category “C” Area (Tax Free Zones) include all Tribal Blocks and Development Blocks mentioned under this category and include all backward Panchayats located in Blocks under the “A” and ‘B’ Category Area.

FORM S.T. (DP)-I**(See para 7)****APPLICATION FORM FOR THE GRANT OR RENEWAL OF
DEPARTMENT CERTIFICATE.**

To

The _____

Sir,

In accordance with the provisions of section 42-A of the Himachal Pradesh General Sales Tax Act, 1968 and the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005 framed thereunder, I _____ (name), aged _____ son of Shri _____ resident of _____ Proprietor/ Partner/Managing Director/ Manager _____ of the unit as mentioned hereunder apply for the grant/ renewal of certificate in Form S.T. (DP)-II, hereby declare as under :—

(a) Name and complete address of manager etc. of unit alongwith its registration Certificate No. under the Himachal Pradesh General Sales Tax Act, 1968 with date of its validity	M/s..... Place..... Registration certificate number..... Date of validity
(b) Number with date of issue of the certificate in form-I	Date.....
(c) quantum of sales tax deferment applied for on the basis of certificate in Form-I(in words)in figures
(d) Period of deferment subject to celling on quantum of sales tax to be deferred	Years and months (in words) From..... To

(e) Description of raw material used
(f) Description of items manufactured
(g) Production capacity in quantity/weight per hour/month/annum :—	(i) Regd/Licened (ii) Installed.....
(h) Estimated gross turnover for the current year :— (i) under the Himachal Pradesh General Sales Tax Act, 1968. (ii) under Central Sales Tax Act, 1956	Sales turnover Rs..... Sales turnover Rs.....
(i) Amount of Sales Tax deferred sought to be deferred under Himachal Pradesh General Sales Tax Act, 1968,	Amount Rs.....
(j) Notional Sales Tax liability for the current year under the Himachal Pradesh General Sales Tax Act, 1968	Amount Rs.....
(k) Basis of eligibility, whether new Industrially unit.	

2. Attested copies of the following documents, contents of which are true and correct to the best of my knowledge, are hereby attached :—

- (i) Certificate from Chartered Accountant, regarding gross turnover of sales as on 31st day of March last, wherever applicable.
- (ii) Certificate from Chartered Accountant regarding the notional sales tax liability for the current year ;

Certificate from Chartered Accountant regarding fixed assets as on the 31st day of march last, wherever applicable ;

Copy of balance sheet as on the 31st day of March last, duly certified by Chartered Accountant, wherever applicable ;

Copy of Manufacturing and profit and loss accounts for the year ending the 31st day of march last duly attested by the Chartered Accountant in case of renewal of certificate ;

Latest copy of charge in the constitution/ partnership deed/ Memorandum/ Articles of association/bye laws of the society etc. duly attested ; and

Copy of power of attorney or certified copy of resolution passed by Board of Director/ Members authorising a particular person to apply for making deferred payment of sales tax.

* I hereby opt for availing the facility of making deferred payment of sales tax.

I hereby state that the unit satisfies all the conditions essential for the issuance or renewal of certificate in form S.T. (DP)-II.

I hereby undertake that I shall abide by the terms and condition contained in the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 1999 and the provisions of the Himachal Pradesh General Sales Tax Act, 1968, the rule framed and the notifications and orders issued thereunder.

Signature of the applicant...

Name.....

Status.....

Date.....

Form-I

[(See para 3 (viii))]

CERTIFICATE

No.....

This is to certify that.....(name and full address).....
the/Proprietor/owner/ Managing Director/partner whereof is/are Shri/
Shrimati..... is/ are registered as an existing industrial unit or new
industrial unit in the office of the undersigned against Registration
No..... date..... for the manufacture of For sales,
and that the said industrial unit commenced manufacture of the goods with
effect from.....

2. This is further to certify that the said new industrial unit is an
industrial unit.....(description of the unit) other than the industrial
unit specified in the negative list.

3. This is also to certify that the said existing/ new industrial unit
located in..... which is included in the industrially developing
areas/industrially backward areas/tax free zone.

4. This is also to certify that the aforesaid existing/ new industrial
unit is employing.....persons and of these
persons.....persons *i.e.*.....% are bonafide Himachalis.

5. This is also certify that the aforesaid existing / new industrial
unit is a self employed venture

Date.....

Signatures

Note.— This certificate shall be signed and issued by the General Manager,
District Industries Centre of the Department of Industries of
Government of Himachal Pradesh where the Industrial Unit is
registered or in other cases by the Director of Industries, Himachal
Pradesh or other competent authority, as the case may be.

2. strike out clearly which is not applicable.

FORM S.T. (DP)-II
DEFERMENT CERTIFICATE
[See para 2 (ii)]

Deferment Certificate No. _____

It is hereby certified that the Industrial unit in the name and style of M/s. _____ situated at _____ office address _____ under the Himachal Pradesh General Sales Tax Act, 1968, Registration Certificate No. _____ with date of validity from _____ is entitled to make deferred payment of sales tax in accordance with the provisions of the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005 for the period from _____ to _____ .

2. Subject to the provisions of the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005, certificate is valid for the period :—

Period from To	Date of renewal	Quantum of benefit of Sales Tax deferment National/Actual	Signature of the prescribed authority	Signature, Name and status of the holder of the certificate
1	2	3	4	5

1st Year to 30th June
 3rd year, ~~2004~~
 from 30th June
 4th year to

3. This certificate is entered at Serial No. _____
 Page _____ of the register in Form S.T.(DP)-VI.

4. This certificate shall be deemed to have been cancelled from the date on which the period of entitlement to make deferred payment of tax expires.

Seal.

*Signature of the prescribed
authority issuing the certificate.*

Date of issue.....

Name

Place District.....

FORM S.T. (DP)-III**[See para 8 (4)]****FORM OF REGISTER**

(To be maintained by the prescribed authority for recording the details of the agreements/mortgage deeds executed/ bank guarantees and /security furnished by the eligible industrial units in whose favour deferment certificate entitling them to avail deferred payment of sales tax has been issued).

Sl.No.	Name of the eligible Industrial Unit	Location of the eligible Industrial Unit	Address
1	2	3	4

Registration Certificate Number held by the eligible industrial unit under the Himachal Pradesh General Sales Tax Act, 1968/ Central Sales Tax Act, 1956	Number and date of the deferment certificate	Period of eligibility for making deferred payment of sales tax
5	6	7

Amount mentioned in deferment certificate authorising deferred payment of sales tax	Number and date of Mortgage Deed, Agreement executed and security furnished with date of execution	Value of Mortgage Deed, Agreement and security with details of the assets mortgaged
8	9	10
Value of the Bank Guarantee furnished with name of the Bank and period thereof	Date on which assets released after full payment of sales tax amount deferred	Signature of the prescribed authority
11	12	13

FORM S.T. (DP)-IV**[See para 8 (1)]**

Mortgage Deed to be executed by a registered dealer who wishes to avail of the facility of making deferred payment of sales tax under the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005.

THIS MORTGAGE DEED made this _____ day of _____
Between

Name _____ (full address) registered under the Himachal Pradesh General Sales Tax Act, 1968 under Registration No. _____ dated the _____ in this State of Himachal Pradesh (hereinafter referred to as "the Mortgagor" which term shall where the context to admits include his heirs, executors, administrators and assigns and legal representatives) of the first part and he Governor of Himachal Pradesh through _____ duly authorised by him (hereinafter referred to as the "Mortgagee" which term shall where the context so admits, include his successors-in-office and assigns) of the second part ;

Whereas the Mortgagor has assured the Mortgagee that he is the sole owner of the _____ situated in _____ District _____ (the said property being detailed or described more particularly on Schedule-I hereto), and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever and the same is now offered to Mortgaged as first charge ;

And whereas the Mortgagor agrees that whenever called upon by the Mortgagee, to do so, insured the whole or any part of all properties hereinbefore mentioned against fire throughout the period of mortgage ;

And whereas the mortgagor has applied for the grant of facility of making deferred payment of sales tax amount to Rs. _____ under

the provisions of Sub-section (1) of section 42-A of the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005.

And whereas the mortgagor agrees whenever called upon by the Mortgagee to do so, to pay the whole or any part of the amount of sales tax deferred alongwith interest, in the event of failure of the Mortgagor to observe the conditions for its grant ;

And whereas the Mortgagee has agreed to defer the payment of sales tax amounting to Rs. _____ (in words) _____ (hereinafter referred to as the said amount) payable by the Mortgagor during a period of _____ years, commencing from _____ subject to the conditions hereinafter appearing.

NOW THIS INDENTURE WITNESSETH as under :—

- (1) That in pursuance of the aforesaid agreement and for the purpose, of securing the payment of the deferred or to be deferred amount of sales tax in the said sum of Rs. _____ the Mortgagor hereby covenants with the Mortgagee that he will comply with the provisions of the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 2005, and the Central Sales Tax Act, 1956, the rules framed thereunder, as amended from time to time ;
- (2) That the Mortgagor shall furnish to the prescribed authority *i.e.* _____ such reports returns and other documents as may be required or demanded by it from time to time ;
- (3) That the Mortgagor shall not change location of the whole or any part of this total fixed assets and the property from the present place or effect any substantial contraction or disposal of a substantial part of his total fixed assets and the property till the amount of sales tax deferred is paid to the mortgagee ;

- (4) That the Mortgagee, may at any time enter in or upon any part of the Mortgagor's industry for the purpose of inspecting the accounts records thereof so as to ascertain that the Mortgagor had duly performed and observed the covenants and condition subject to which the facility of making deferred payment of sales tax has been granted ;
- (5) That the Mortgagee shall have full right, power and authority at all times to do all acts and things, which may be necessary or expedient for the purpose of enforcing compliance with all or any terms, conditions and reservations therein contained and to recover from the Mortgagor as first charge upon the total fixed assets of the said Mortgagor and on account of the cost of doing all or any such acts and things all costs incurred in connection therewith in any way relating thereto ;
- (6) That the Mortgagor shall.—
 - (a) comply with any general or special order of the Mortgagee relating to the inspection of its premises, buildings, machinery, stock of raw material and furnished goods in hand ;
 - (b) furnish full and complete returns of all goods manufactured or sold, both as regards description and quantity as and when called for by the Mortgagee, in addition to those which are to be submitted under the law ;
 - (c) maintain special accounts and furnish such statements as the Mortgage, from time to time, may require; and
 - (d) submit his accounts to such audit as the mortgagee may prescribe.
- (7) That after any inspection as herein before provided for or on account of failure of the Mortgagor to comply with or to fulfil any of the

conditions of this covenant, the Mortgagee, may call upon the said Mortgagor by a written notice to show cause within a month from the receipt of such notice as to why the entire amount of said deferred amount of sales tax be not immediately recovered from Mortgagor together with interest at the rate of 18 per cent per annum calculated thereon from due date for filing of returns, in case of sales tax deferred or the date of demand notice issued after assessment, as the case may be. After the cause shown by the Mortgagor, has been considered and found to be unsatisfactory or if no cause is shown within the time specified in the notice, it shall be lawful for the Mortgagee, to order lump sum recovery of the amount of deferred sales tax alongwith interest becoming payable which may be recovered as arrears of land revenue.

That in case the value of the security offered hereinbefore excluding the amount of earlier encumbrance, if any, falls below one and a half times the amount deferred sales tax, the Mortgagee, may call upon the mortgagor by a notice in writing, to furnish additional security within the time specified therein, and in case of default by the Mortgagor to furnish such additional security to the satisfaction of the Mortgagee, he may order lump sum recovery of the deferred sales tax becoming payable together with interest at the rate of 18 per cent per annum payable from the date as mentioned in clause (7) above ;

- (i) That in case the Mortgagee is satisfied at any stage that the deferred — payment of sales tax has been obtained by misrepresentation as to an essential fact by furnishing false information or if the Mortgagor's industrial unit is closed within the period stipulated, the Mortgagee may order lump-sum recovery of whole amount of deferred sales tax, together with interest at the rate of 18 per cent

per annum from the date as specified in clause (7) after affording an opportunity to the Mortgagor to show cause against the proposed action.

(ii) And further in pursuance of the said agreement and for the consideration aforesaid the Mortgagor as beneficial owner doth hereby grant, convey and assign to that Mortgagee as the first Mortgagor :—

(a) all the properties described in the Schedule hereto and delineated in map or plan hereto annexed ; and

(b) all the assets, present and to be hereinafter acquired by the Mortgagor, whether the said assets present or future be in his name or that of the _____ including book, debits, stocks and stores, the premises and machinery whether existing or to be purchased with the aid of the amount of deferred sales tax hereby granted or with any portion thereof and whether referred to in Schedule hereto or not to have and to hold the same into and to the use of Mortgagee, its successors and assigns for ever subject to the proviso for redemption hereafter contained :

PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenants have satisfied and continue to be satisfied till, the payment of entire amount of deferred sales tax, the Mortgagee shall at the request and at the cost of the Mortgagor, recover the said deferred amount of sales tax alongwith interest and expenses, if any, incurred in this behalf from the properties of Mortgagor or the surety as the case may be.

- (i) AND THIS INDENTURE further witnesseth that in pursuance of the said agreement and as security for the said sum of rupees _____ the surety as beneficial owner doth hereby grant, convey and assign to the mortgagee all the properties referred to in the said Schedule and delineated in the map or plan hereto attached to have and to hold the same into and to the use of the mortgagee, its successors and assigns for ever subject to the proviso for redemption here in after contained and the surety doth further covenant that if the mortgagor shall make default in the fulfilment of any of the obligations mentioned hereinbefore, then the whole of the said amount and interest at the rate of 18 per cent per annum calculated from the date as mentioned in clause (7) shall become due and payable by the mortgagor and the mortgagee shall be at liberty to recover the same as arrears of land revenue ;

PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenant and other conditions connected therewith have been satisfied and continued to be satisfied till the payment of the entire amount of deferred sales tax, the mortgagee shall at the request and at the cost of the mortgagor, recover the said deferred sales tax dues alongwith interest and expenses, if any, incurred in this behalf from the properties or Mortgagor.

- (ii) AND in further pursuance of the agreement and covenant referred to above, the Mortgagor does hereby agree to insure the entire machinery and stock in the said _____ and if so required all other properties hereinafter referred to against fire to the full extent of the deferred sales tax and that the policy of insurance shall be taken out the same of

the Mortgagor and the Mortgagee and it shall be pay all premiums and at his own cost renew the policy every year during the period the properties remain mortgaged to the Mortgagee failing which the Mortgagee may pay the same and recover from Mortgagor such premiums and all expenses with interest thereon at the rate of 10 per cent per annum.

(iii) It is further agreed by the Mortgagor that notwithstanding anything hereinbefore contained, the Mortgagee may by the appointment of its own Agent or otherwise exercise such control over the conduct of the mortgagor to which deferred payment of sales tax has been given as shall suffice in their or in his opinion to safeguard the interest of the Mortgagee in such industrial unit and that the Mortgagor shall forthwith comply with all recommendations made by the Mortgagee or its Agent so appointed.

(iv) It is further agreed that the appropriate stamp duty and the registration charges of this instrument shall be borne by the mortgagor.

SCHEDULE

(Give details of properties mortgaged/charged)

IN WITNESS WHEREOF THE PARTIES HAVE hereunto set their hand on the day, month and year mentioned as above.

*Signature by or on behalf of the above named
firm/ Registered dealer,
(Mortgagor).*

Signed by the mortgagor in the presence of :—

1. (a) Name and address _____

(b) Signature _____

2. (a) Name and address _____

*For and on behalf of the Governor of H.P.
Signature and designation of officer.*

Signed by the Officer for and on behalf of the
Governor of Himachal Pradesh in the presence of :—

1. (a) Name and address _____

(b) Signature _____

2. (a) Name and address _____

(b) Signature _____

FORM S.T. (DP)-V**[See para 8 (2)]****SURETY BOND**

KNOWN all men by these presents that I/we _____
(full address) with Registration Certificate No. ___ (if any), am / are held
and firmly bound upon the Governor of Himachal Pradesh (hereinafter
referred to as 'the Government' which expression shall, unless excluded
by or repugnant to the context, include his successors-in-office and assigns)
in the sum of rupees _____ (amount in figures and followed by
amount in words) hereinafter refer to as 'the said sum') to be paid to the
Government on demand, for which payment will and truly to be made, I /
we bind myself/ourselves, my/our heirs, executors, administrators and legal
representatives by these presents.

Whereas the above-bounden has been required by Excise and
Taxation Commissioner, Himachal Pradesh, or the Officer authorised by
him in this behalf in writing to further security for the said sum for the
purpose of securing the proper deferred payment of the amount of sales
tax payable by him/them under the Himachal Pradesh General Sales Tax
Act, 1968 (hereinafter referred to as 'the said Act'), the Himachal Pradesh
General Sales Tax Rules, 1970 and Himachal Pradesh General Sales Tax
(Deferred Payment of tax) Scheme, 2005 framed thereunder and
indemnifying the Government against all loss, costs or expenses which the
Government may, in any way, suffer, sustain or pay, by reasons of omission,
default or failure or insolvency of the above of any person or persons
acting under or for him/ them to pay such tax in the manner and by the time
provided by or prescribed under the said Act.

Now the condition of the above written bound is such that if
the above bounden, his/ their heirs, executors, administrators and legal

representatives or any person acting under or for him them any the full amount of tax payable by him under the said Act in the manner and by the time provided by or prescribed under the said Act on demand by any authority appointed by Government under section 3 of the said Act such demand to be in writing and to be served upon the above bounden person, his/ their heirs, executors, administrators and legal representatives or any person acting under or for him/them in the manner provided by or prescribed under the said Act, at all times indemnifying and save harmless the Government from all and every loss. Cost or expenses which has been or shall or may at any time, or times hereafter during the period in which the above bounden is held liable to pay the amount of deferred sales tax under the said Act, caused by reason of any act, omission, default, failure or insolvency of the above bounden or of any person or persons acting under or for him/them then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force, effect and it is hereby further argued that in the event of the death/partition/disruption/dissoution/winding up or final cessation of the liability, under the Act or the rules prescribed thereunder of the above bounden, this bound shall remain with the Assessing Authority for twelve year from the occurring of any of the events aforesaid for recovering any deferred payment of sales tax that may be payable by the above bounden or any loss of expenses that may have been sustained, incurred or paid by the Government owing to the act, omission, default, failure or insolvency of the above bounden or any person or persons acting under or for him/them or the above bounden's heirs, executors, administrators and legal representatives and which may have not have been discovered until after the above bounden's death/partition/disruption/dissolution/winding up or final cessation of his/their liability under the said Act or the rules prescribed thereunder :

Provided always that without prejudice to any other right or remedy for re-covering the tax, loss or damages as aforesaid, it shall be open to the Government to recover the amount payable under this bound as an

arrears of land revenue or fine imposed by any authority under the said Act.

In witness whereof the said _____ (full name) has hereunto set his hand this _____ day of _____ signed and delivered _____ by the above named in the presence of _____.

Witnesses :—

1. _____

Signature _____

2. _____

Status. _____

We, (1) _____

(2) _____

(Name and full address of the sureties) hereby declare ourselves sureties for the above bounden and guarantee that he/they shall do and perform all that he/they, has/have above undertaken to do and perform, and in case of his/their omission, default or failure therein, we hereby bind ourselves, jointly and severally to forfeit to the Governor of Himachal Pradesh (hereinafter referred to as, the Government, which expression shall unless excluded by or repugnant to the context, include his successor-in-office) and assign a sum of Rs. _____ (amount if figures followed by amount in words) hereafter / referred to as "the said sum" in which the above-bounden has bound himself or such other/lesser sum as shall be deemed to be sufficient by the Assessing Authority to recover any amount of tax payable by the above-bounden and remaining unpaid and also to recover any loss, damages, cost or expenses, which the Government may sustain, incur or pay by reason of such omission, default or failure.

And we agree that the Government may without prejudice to any other rights or remedies of the Government, recover the said sum from us, jointly and severally, as an arrears of land revenue under/or fine imposed by a Magistrate.

And we also agree that neither of us shall be at liberty to terminate this surety-ship except upon giving to the Assessing Authority six calendar months notice in writing of his-intention so to do and out joint and several liability under this bound shall continue in respect of all acts, omission, defaults, failure and insolvencies on the part of the above-bounden until the expiration of the said period of six months.

Signature of sureties in presence of witness :—

1. _____ (Name and complete address of the witnesses)
2. _____ (Permanent address).

Signatures.

Accepted for and on behalf of the Governor of Himachal Pradesh.

Date.....

Signatures,
Designation of the authorised Officer.

FORM S.T. (DP)-VI

(See para 13)

Register of Eligible Industrial Units availing deferment benefit

Serial No.	Name and category of the eligible industrial unit holding deferment certificate in Form S.T. (DP)-II with Registration Certificate under the Himachal Pradesh General Sales Tax Act, 1968	Commodities manufactured	Number and date of issue of deferment of sales tax certificate in Form S.T. (DP)-II
1	2	3	4

Period of benefit of deferment of sales tax mentioned in the deferment certificate in Form S.T.(DP)-II From (i)	To (ii)	Deferment benefit availed upto the date of renewal	Balance
5		6	

By order,
Sd/-

Principal Secretary (E&T).